

Agenda Date: 10/10/03 Agenda Item: IIIB

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF CSC TKR, INC. D/B/A CABLEVISION OF RARITAN VALLEY FOR RENEWAL OF A CERTIFICATE OF APPROVAL TO CONTINUE TO OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE TOWNSHIP OF OLD BRIDGE, COUNTY OF MIDDLESEX, STATE OF NEW JERSEY

ORDER ADOPTING
INITIAL DECISION AND
RENEWAL
CERTIFICATE OF APPROVAL

BPU DOCKET NO. CE00100745 OAL DOCKET NO. CTV 4868-01

Service List Attached

BY THE BOARD:

On November 7, 1979, the Board granted Cross Country Cable, Ltd. ("Cross Country") a Certificate of Approval in Docket No. 797C-6509, for the construction, operation and maintenance of a cable television system in the Township of Old Bridge ("Township"). On February 5, 1982, the Board approved the transfer of the Certificate from Cross Country to TKR Cable Company ("TKR") in Docket No. 8112C-6860. On November 9, 1990, the Board issued a Renewal Certificate of Approval to TKR in Docket No. CE89060542. On May 4, 1994, the Board issued an Order Amending Renewal Certificate of Approval, in Docket No. CE89060542. On April 2, 1997, the Certificate was transferred to TCI Atlantic, Inc. d/b/a TKR Cable Company ("TCI") in Docket No. CM96040359. On December 17, 1997, the Certificate was transferred from TCI to CSC TKR, Inc. d/b/a Cablevision of Raritan Valley ("Petitioner") in Docket No. CF97090674. Although the Petitioner's above referenced Certificate expired on November 7, 1999, it is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Township on March 3, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Township, after public hearing, adopted an ordinance granting renewal municipal consent to the Petitioner for a term of five years on August 14, 2000. On September 7, 2000, the Petitioner formally rejected the terms and conditions of the ordinance.

On September 29, 2000, pursuant to N.J.S.A. 48:5A-17(d), the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township. The Petitioner alleged that the Township had been arbitrary and capricious in its grant of municipal consent for five years, and that the ordinance contained provisions not agreed to by the parties. On October 20, 2000, the Township filed its answer to the petition.

On August 22, 2001, the Board transmitted the matter to the Office of Administrative Law for hearing as a contested case. The matter was assigned to Administrative Law Judge ("ALJ") Kathryn Clark. The case was subsequently transferred to ALJ Douglas H. Hurd. ALJ Hurd presided over numerous settlement conferences and several plenary hearings. On May 13, 2003, a public hearing was held in the Township. On July 14, 2003, the governing body of the Township adopted a resolution authorizing the Township Attorney to execute a Stipulation of Settlement. Subsequently, the parties reached a settlement, and on August 18, 2003, the parties signed a Stipulation of Settlement, which encompassed all of the terms of settlement. On August 22, 2003, ALJ Hurd issued an Initial Decision recommending that the Board approve the settlement (attached as Appendix "II"). In his Initial Decision, ALJ Hurd found that the stipulation of settlement disposed of all issues as required by N.J.A.C. 1:1-19.1.

The Board has reviewed the Initial Decision of ALJ Hurd and **FINDS** that it is fair, reasonable and in the public interest. Therefore, the Board **HEREBY ADOPTS** the Initial Decision and Settlement in their entirety. The terms of the Initial Decision and the stipulation of settlement, and the application for renewal municipal consent, are incorporated into this Renewal Certificate of Approval as if fully set forth herein.

The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval, and the stipulation of settlement. Based upon this review and the recommendation of the Office of Cable Television, the Board **HEREBY FINDS** the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval.
- 2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.

- 4. The franchise period as stated in the stipulation of settlement is eight years from the date of issuance of this Certificate. The Board finds this period to be of reasonable duration.
- 5. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 6. Pursuant to statutory requirements, the Township is required to specify a complaint officer within its municipal consent ordinance to receive and act upon complaints filed by subscribers in the Township. The stipulation of settlement provides for the Office of Cable Television to serve as the complaint officer. All complaints shall be received and processed in accordance with the applicable rules.
- 7. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office serving this purpose is located at 499 Ernston Road in Parlin (Sayreville Borough). The Petitioner also has a local business office located at 275 Centennial Avenue in Piscataway, New Jersey.
- 8. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 9. As a condition of the settlement, within 90 days of the date of this Certificate, the Petitioner shall connect the Biondi area of the Township to the same cable system serving the majority of the Township customers so that the subscribers in the Biondi area will receive the same programming options, including the same municipal and educational access channels as the remainder of the Township subscribers.
- 10. As a condition of the settlement, within 90 days of the date of this Certificate, the Petitioner shall extend its cable system to offer service to potential customers along the area of Hawkins Road, without application of its line extension policy ("LEP"). For all other areas, the Petitioner shall utilize the LEP attached to the Certificate (Appendix "I"). The minimum homes per mile figure is 35.

- 11. Upon completion of each of the requirements contained in Provision No. 9 and Provision No. 10 above, the Petitioner shall submit proof to the Office of Cable Television indicating its compliance with the provision.
- 12. The Petitioner shall provide public, educational and governmental access channels and equipment as stipulated in the settlement agreement and as enumerated in Provision No. 13 through Provision No. 18 below.
- 13. The Petitioner shall continue to provide one municipal access and one educational access channel for the dedicated use of the Township. The Petitioner shall not allow sharing of these channels within any other programming service other than those services shared with the access channels as of May 15, 2003.
- 14. Within 90 days of the issuance of this Certificate, the Petitioner shall provide the Township with the following equipment as stipulated in the settlement agreement: a) one remote camera; b) one SVHS recorder/playback deck; and c) one 12 foot by 12 foot lighting grid with installation. The Petitioner shall be responsible for all costs associated with the purchase and installation of such equipment up to a maximum of \$30,000.00. Any costs above \$30,000.00 will be borne by the Township.
- 15. Within 45 days of the date of this Certificate, the Petitioner shall pay to the Township a sum of \$4,500.00 as reimbursement for the reasonable expenses incurred in connection with relocation of the municipal access channel and educational access channel.
- 16. Within 90 days of the date of this Certificate, the Petitioner shall install and maintain one fiber optic return line for upstream transmission from Lombardi Field located at the Township High School West Campus.
- 17. Within 120 days of the date of this Certificate, the Petitioner shall install and maintain one fiber optic return line for upstream transmission to each of the following locations: a) the municipal public library; b) the municipal civic center; and c) the municipal senior citizens center, all of which are located in the Municipal Complex.
- 18. Within 45 days of the date of this Certificate, the Petitioner shall reimburse the Township \$3,605.00 for the cost that the Township incurred to install cable television service to Camp R.O.B.I.N.
- 19. Upon completion of each of the requirements contained in Provision No. 13 through Provision No. 18 above, the Petitioner shall submit proof to the Office of Cable Television indicating its compliance with the provisions.

- 20. As condition of the settlement, within 120 days of receipt of a written request by the Township, the Petitioner shall provide the standard installation and basic service to one outlet, free-of-charge, to: a) all state accredited public and private primary and secondary schools; b) all municipal libraries, including Old Bridge Library and Laurence Harbor branch; c) the Municipal Building including the administration wing, the police department wing and the TV studio; d) the police substation in Laurence Harbor; e) the Township senior center; f) Laurence Harbor senior center; g) recreation department, including the following satellite buildings: Camp R.O.B.I.N, Marlboro Road community center, Laurence Harbor recreation center and Route 9 youth center; h) first aid squads; i) fire district offices; and j) fire buildings.
- 21. As condition of the settlement, within 120 days of receipt of a written request of the Township, the Petitioner shall provide one standard installation, one cable modem and standard monthly service to one municipal building in the Township. The Township shall be permitted, at its own cost, to network up to three additional personal computer terminals in the designated building.
- 22. As condition of the settlement, within 120 days of receipt of a written request of the Township, the Petitioner shall provide one standard installation, one cable modem and standard monthly service to all state or locally accredited public and private, primary and secondary schools in the Township.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to **N.J.S.A.** 48:5A-17(d), that the Petitioner does not need the municipal consent necessary to support its petition, and pursuant to **N.J.S.A.** 48:5A-28(c), that the settlement agreement and resolution adopted by the Township contains all provisions necessary for continued municipal authorization as required by **N.J.S.A.** 48:5A-24 through 26, that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is **HEREBY ISSUED** this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Township.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> § 76.1 <u>et seq.</u>, including but not limited to, the technical standards 47 <u>C.F.R.</u> § 76.601 through § 76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire eight years from the date of its issuance.

DATED:	October 10, 2003		BOARD OF PUBLIC UTILITIES BY:
		(signed)	
		JEANNE M. FOX PRESIDENT	
(signed)			(signed)
FREDERICK F. BUTLER COMMISSIONER			CAROL J. MURPHY COMMISSIONER
(sig	ned)		(signed)
CONNIE O. HUGHES COMMISSIONER		JACK ALTER COMMISSIONER	
ATTEST:			
(sig	ned)		
	STI IZZO CRETARY		

Service List

Sidney Sayovitz, Esq. Schenck, Price, Smith and King 10 Washington Street Morristown, NJ 07963

William S. Ruggiero, Esq. Township Attorney Township of Old Bridge One Old Bridge Plaza Old Bridge, NJ 0808857-2498

Christopher White, Esq.
Deputy Ratepayer Advocate
Division of Ratepayer Advocate
31 Clinton Street – 11th Floor
Newark, NJ 07102

Rose-Marie Saracino Township Clerk Township of Old Bridge One Old Bridge Plaza Old Bridge, NJ 0808857-2498

Adam Falk, Esq. Cablevision 1111 Stewart Avenue Bethpage, NY 11714 Alex Moreau, Esq. Deputy Attorney General Division of Law 124 Halsey Street Newark, NJ 07102

Kenneth Sheehan, Esq. Deputy Attorney General Division of Law 124 Halsey Street Newark, NJ 07102

Celeste M. Fasone, Director Office of Cable Television Board of Public Utilities Two Gateway Center Newark, NJ 07102

Karen A. Marlowe Coordinator, State and Local Planning Office of Cable Television Board of Public Utilities Two Gateway Center Newark, NJ 07102